



**Airport Advisory Board
May 14, 2026**

Notice is hereby given of a Regular Meeting of the Nacogdoches Airport Advisory Board to be held on the above date in the City Council Chambers of City Hall, 202 E. Pilar Street, Nacogdoches, Texas, beginning at 5:30 p.m. for the purpose of considering the following agenda items. An archived video recording of the meeting will be accessible online at <https://www.nactx.us/21>.

1. CALL TO ORDER.
2. REGULAR AGENDA:
 - A. Consider approval of minutes for the regular meeting held on January 29, 2026.
 - B. Receive a staff report on the Airport runway/taxiway paving project.
 - C. Advise on the Airport offering unleaded aviation fuel, and the installation of an above-ground fuel storage tank and supporting infrastructure to sell such fuel.
 - D. Advise on a proposed Fixed Base Operator Agreement for aircraft rental, including consideration of any related variance requests, with DrewsAero LLC.
 - E. Advise on a proposed Fixed Base Operator Agreement for flight instruction with HCH Aviation LLC.
 - F. Advise on an amended ground lease agreement with KP Pruitt Investments LLC for Hangar A-100 and associated areas.
 - G. Advise on the scoping of an Airport Business Plan.
 - H. Advise on possible future agenda items.
3. ADJOURN.

CERTIFICATION

This meeting will be conducted pursuant to Chapter 551 of the Texas Government Code. The City of Nacogdoches is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications may be provided upon request. Please contact the City Secretary at (936) 559-2506 for information. I certify the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas 75961, on May 8, 2026, by 5 p.m. pursuant to Chapter 551 of the Texas Government Code.

Colin Smith

Colin Smith, Airport Manager



Airport Advisory Board

Date: May 14, 2026

Agenda Item: 2.A.

PRESENTER: Colin Smith, Airport Manager

ITEM/SUBJECT: Consider approval of minutes for the regular meeting held on January 29, 2026.

SUMMARY/BACKGROUND: The minutes are attached for review and approval.

FINANCIAL:

CITY CONTACT: Colin Smith

ATTACHMENTS: 1. 2026-01-29 AAB Meeting Minutes

**Airport Advisory Board
A.L. Mangham Jr. Regional Airport
Minutes, January 29, 2026 Regular Meeting**

Airport Advisory Board (AAB) Chair Kathy Gainer called the meeting to order at 5:32pm, January 29, 2026, in the Council Chambers of City Hall at 202 E. Pilar St, Nacogdoches, TX. Board Members present were, Taylor Jones, Jon Hughes, Ricky Jones, Kelly Radnitzer, Kathy Gainer, Jason Reina and Will Alders. City staff in attendance were Colin Smith (airport manager).

Gainer asked the Board to consider approving the minutes from October 27, 2025. Hughes motioned to approve, Alders seconded, all approved.

Smith presented the FBO agreement with Miliam Six LLC. Smith stated it was the typical plane rental agreement, along with the normal variance requests. The board advised support for the agreement. The board, in the capacity as the Airport Board of Adjustments, granted variances eliminating the ordinance required office, restroom and parking for activities allowed in the agreement. The variance acceptance motion was made by R. Jones, seconded by Hughes, all approved.

R. Jones gave an update on the proposed airport driveway sign regulations and proposed advertising panel lease document. Discussion was held on the sign history and the proposed regulation documents. T. Jones motioned to accept the proposed regulations and lease document, Reina seconded, all approved.

Smith updated the board on the property transactions related to the new proposed airport access road from Highway 7 to the future terminal building. He stated that the transaction details and documents are at the FAA for review and approval. Smith reported that the City just applied for a federal terminal grant. Smith reported that the City is considering a project to expand the main existing paved aircraft parking apron to accommodate additional and larger aircraft. Smith reported that the project is expected to be primarily funded through private donations, with a rough cost around \$2M or more. Shannon Conklin spoke in support of the apron project, on behalf of the donor. No action taken.

Smith updated the board that the Kite Festival will be held on April 12, 2026 at the airport.

Smith updated the board on the runway/taxiway paving project. He stated the pre-bid meeting was delayed a week because of weather, but the construction start date target remains May 18.

Smith informed the board of a waterline extension project planned for the summer to bring fire hydrants further into the hangar area and allow the development of new hangars. Smith reminded the board of general infrastructure deficiencies and issues that are limiting hangar development. Jack Gainer spoke briefly about development delays for his and Dr. Vyas's proposed hangars, predominately centered on waiting for the City to extend waterlines (w/fire hydrants) to the development area just west of the Bright Hangar. He said both parties remain committed to the two hangar development projects.

Hughes motioned to adjourn, T. Jones seconded, all approved so Gainer adjourned the meeting.



Airport Advisory Board

Date: May 14, 2026

Agenda Item: 2.B.

PRESENTER: Colin Smith, Airport Manager

ITEM/SUBJECT: Receive a staff report on the Airport runway/taxiway paving project.

SUMMARY/BACKGROUND: Staff report on the status and changes to the runway/taxiway pavement project.

FINANCIAL:

CITY CONTACT: Colin Smith - Airport Manager

ATTACHMENTS:



PRESENTER: Colin Smith, Airport Manager, Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT:

Advise on the Airport offering unleaded aviation fuel, and the installation of an above-ground fuel storage tank and supporting infrastructure to sell such fuel.

SUMMARY/BACKGROUND: While 100-low-lead (100LL) is still common, FAA approvals for unleaded alternatives are rising. The FAA [Eliminate Aviation Gasoline Lead Emissions](#) initiative currently targets eliminating lead from aviation gasoline by 2030. The FAA also distributed a [draft transition plan](#) for public comment in January 2026, and U.S. Representatives have even [introduced legislation](#) that would require the FAA to create an education program about the move. Flight schools and universities are also increasingly transitioning student training aircraft to unleaded fuels like G100UL and UL94 to reduce maintenance costs, engine wear, and environmental impact.

As additional unleaded aviation fuel alternatives are expected to evolve over the next few years, many factors outside the FAA's control may also affect the timeline away from leaded aviation fuel. Moreover, it is possible that during the later phases of the transition, whenever it happens, the sale of leaded aviation fuel could be limited or prohibited. The addition of an additional fuel tank at the Airport to sell unleaded aviation fuel alongside the current leaded fuel tank could aid in offering both fuels during the early stages of a possible transition. The installation of a 12K gallon ground tank integrated into the existing self-serve fuel area and kiosk, as well as the lease of an additional refueler truck, is anticipated for this offering. The unleaded aviation fuel would be offered to local and transient aircraft.

It is anticipated that the HCH Aviation fleet will utilize this fuel, as well as other based and transient aircraft that prefer and/or are approved for unleaded aviation fuel. It is estimated that annual sales of unleaded aviation fuel could start around 40,000–50,000 gallons, with most of that consumed by the HCH Aviation training fleet of aircraft. The estimated cost of the infrastructure is \$450,000. The estimated cost to lease another truck is \$1000/month. The City's current fuel provider, Titan Aviation Fuels, can supply the unleaded aviation fuel, specifically Swift's UL94 aviation fuel.

FINANCIAL:

CITY CONTACT: Michael Neu

ATTACHMENTS:



Airport Advisory Board

Date: May 14, 2026

Agenda Item: 2.D.

PRESENTER: Colin Smith, Airport Manager

ITEM/SUBJECT:

Advise on a proposed Fixed Base Operator Agreement for aircraft rental, including consideration of any related variance requests, with DrewsAero LLC.

SUMMARY/BACKGROUND: DrewsAero LLC is proposing to base an aircraft at our airport for the purpose of rental. By City ordinance, this commercial activity requires a Fixed Base Operator Agreement between the operator and the City. The Board will advise on the proposed agreement, and they will also make determinations, as the Airport Board of Adjustments, about any proposed variances within the agreement.

FINANCIAL:

CITY CONTACT: Colin Smith - Airport Manager

ATTACHMENTS: 1. DrewsAero LLC DRAFT FBO Agreement 2026-03-27

**FIXED BASE OPERATOR AGREEMENT
A.L. MANGHAM, JR. REGIONAL AIRPORT
NACOGDOCHES, TEXAS**

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF NACOGDOCHES

This Airport Fixed Base Operator Agreement (AGREEMENT) is reached on this 1st day of _____, 2026, by and between the CITY OF NACOGDOCHES, a municipal corporation, hereinafter referred to as CITY, and **DrewsAero LLC**, a Texas limited liability company duly formed under the laws of the State of Texas, hereinafter referred to as OPERATOR.

For and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I. Recitals

It is the desire of the OPERATOR to establish and operate an aircraft rental business (the BUSINESS) at the A. L. Mangham Jr. Regional Airport (the AIRPORT).

It is the desire of OPERATOR to act as a Fixed Base Operator (FBO) at A.L. Mangham, Jr. Regional Airport (AIRPORT) and to perform all necessary functions and services as such in conformity to Minimum Standards for Fixed Base Operators as amended and as may be amended from time to time (the Minimum Standards) in Chapter 10, Section 10-3, of the Code of Ordinances, as adopted by the CITY, with the exception of requirement 3 under Category B where the OPERATOR is requesting a variance, as addressed in Section V. Item 4. of this agreement, for

the full term of this agreement. It is the desire of the CITY for OPERATOR to act as a Fixed Base Operator (FBO) at the AIRPORT under the Minimum Standards and the terms of this AGREEMENT.

OPERATOR will conduct business under the following fixed-base operator categories:

Category B- Aircraft Rental.

II. Term

1. The respective duties and obligations of the parties hereto shall be for a period of five (5) years commencing on the date of this AGREEMENT and terminating at the end of five years from such date unless sooner terminated.

2. In addition, at the discretion of the CITY, the fees chargeable for the privilege of operating as a FBO may be changed periodically by the City Council of the City of Nacogdoches.

III. Appointment as Fixed Base Operator

The CITY hereby designates and appoints **DrewsAero LLC** as an FBO at the AIRPORT and grants OPERATOR the authority to operate under Categories B in conformity with the Minimum Standards as adopted by the CITY as amended and as may be amended from time to time, which are hereby incorporated in its entirety and made a part of this AGREEMENT, as if printed in full, and with the exception of the variance described in Section V. Item 4. of this agreement.

IV. Duties and responsibilities of CITY

CITY shall regulate and enforce all provisions of this AGREEMENT through the office of the City Manager or his/her designee.

V. Duties and Responsibilities of OPERATOR

The OPERATOR shall be responsible for the performance of the following duties and responsibilities:

1. OPERATOR shall maintain all functions, which fulfill the airport minimum standards under Category B – Aircraft Rental. OPERATOR shall receive all the proceeds, rebates and all other compensations paid for such services, and is responsible for the bookkeeping and accounting for such.

2. The OPERATOR shall carry comprehensive general liability insurance with limits of not less than \$300,000.00 per person, \$500,000.00 for each occurrence for personal injury, and \$200,000.00 property damage to cover damages caused in or any cause of action arising from carrying out any of its acts and duties hereunder. The CITY shall be included as an additional insured on the above policies and said policies shall be endorsed to waive subrogation and to be primary and noncontributory. Coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of Nacogdoches, and only insurance carriers licensed and authorized to do business in the State of Texas will be accepted. "Claims made" policies will not be accepted.

3. The OPERATOR shall pay the CITY the following fees for operations in the following categories:

CATEGORY B: \$50/month per active aircraft ("flat fee") OR, alternatively, 1200 gallons of fuel purchased per rolling 12 month period per active aircraft utilizing the proprietary fuel discount card program offered by the CITY

OPERATOR will pay the flat fee monthly no later than the 15th of the month, commencing the first month of this AGREEMENT and continuing for the life of this AGREEMENT. Should OPERATOR

choose the alternative fuel purchase in lieu of payment of the flat fee, the 1200 gallons of fuel must be purchased no later than the last day of the month of each rolling 12 month period of the term of the AGREEMENT. If 1200 gallons of fuel is not purchased in the first 12 months of this agreement, then the flat fee will be due retroactively starting with the first month until the 1200 gallon fuel purchase for a rolling 12 month period is met. An aircraft shall be considered active unless it is out of service for major (taking more than 30 days to complete) repairs or maintenance only, and the OPERATOR shall notify the CITY within 5 business days (before or after) of each instance that an aircraft is to be considered inactive for purposes of fee determination.

4. In accordance with the provisions set forth in Chapter 10 of the Code of Ordinances, City of Nacogdoches, Texas, on **DATE**, 2026, the OPERATOR requested and was granted by the Airport Board of Adjustment a variance to Ordinance Chapter 10-3 requirement 3. under Category B releasing OPERATOR from the requirement of leasing of ground for building and parking, office space, and a restroom for the entire term of this agreement. The OPERATOR is permitted to and shall conduct business from and store all aircraft inside hangars owned and under ground lease with the CITY by others as a sublessee. The OPERATOR shall abide by and meet all provisions and requirements set forth in the ground lease between the hangar owner and the CITY. The OPERATOR shall require all aircraft rental customers to park their automobiles in dedicated/parking striped/paved parking locations as designated by the CITY, or inside the subleased hangar, and NOT in the grass or other paved areas of the airport.

5. OPERATOR agrees and understands that OPERATOR'S status as an FBO is now and will remain non-exclusive.

6. The OPERATOR assures that it will undertake an affirmative action program as required by 14 CFR part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, notional origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The OPERATOR assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this part. The OPERATOR assures that it will require that its covered sub organizations provide assurance to the CITY that it similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

7. OPERATOR shall comply with all local, State, and Federal regulatory statutes, codes, rules, regulations, etc. for all business activities and services conducted at the airport.

8. The OPERATOR shall notify the CITY in writing of all individual aircraft in service under this agreement. Notice shall be given anytime an aircraft is added to or removed from the OPERATORS rental fleet. Notice shall include make, model and registration (tail) number as well as copy of the updated insurance certificates showing the aircraft is insured as required herein.

9. Indemnity. The OPERATOR agrees to indemnify, defend, and hold harmless the CITY, its officers, agents, employees, and volunteers (separately and collectively referred to in this paragraph as "Indemnatee"), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements, and for liability of every kind, including all expenses of litigation, court costs, reasonable attorney's fees, and other reasonable costs for damage to or loss of use of any property, for injuries, to, or sickness or death of any person to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual

property infringement, or failure to pay a sub-operator or supplier committed by the OPERATOR or the OPERATOR's agent, sub-operator under contract, or another entity over which the OPERATOR exercises control.

10. Release. The OPERATOR releases, relinquishes, and discharges the CITY, its officers, agents, employees, and volunteers from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the OPERATOR or its employees and any loss of or damage to any property of the OPERATOR or its employees that is caused by or alleged to be caused by, arises out of, or is directly related to the OPERATOR's activities. Both the CITY and the OPERATOR expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance, and in the event of injury, sickness, death, loss, or damage suffered by the OPERATOR or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the CITY, any other party released hereunder, the OPERATOR, or any third party.

VI. Termination Provisions

This AGREEMENT shall be terminable by the CITY upon occurrence of any default under its terms.

Default shall include:

- A. material breach of any provision of this AGREEMENT, including without limitation the failure to timely pay the fees set forth in this AGREEMENT;
- B. breach of Airport Rules and Regulations of A.L. Mangham, Jr. Regional Airport as amended or as may be amended from time to time that is not remedied by the following sub-paragraphs;

- C. material breach of Federal Aviation Regulations (FARs) (14 CFR Ch 1, et seq) promulgated by the Federal Aviation Administration (FAA) or other governmental agencies, which is not cured within a reasonable time;
- D. breach of laws, regulations, ordinances, directives, orders or the like of the United States, State of Texas, County of Nacogdoches or City of Nacogdoches reasonably related to operations at A.L. Mangham, Jr. Regional Airport or as an FBO;
- E. abandonment of FBO operations by failing to provide such services for a period over one hundred eighty (180) consecutive days;
- F. operating in an FBO category as such presently exists or as may be created, modified or amended in the future by the CITY for which OPERATOR has not entered into an FBO Agreement with the CITY;
- G. insolvency or other financial failure, which prevents OPERATOR from paying its obligations as those come due;
- H. loss, suspension, revocation or absence of any license, permit, certification, registration, or other authorization from, through or under the FAA, its rules, regulations or orders which is reasonably necessary to the operations of OPERATOR in the FBO Category at the AIRPORT;
- I. aiding or abetting persons in the violation of the Minimum Standards or Airport Rules and Regulations or misrepresenting the status of such persons as employees of the OPERATOR or donors of services without compensation.
- J. material breach of the ground lease associated with any hangar where OPERATOR'S aircraft are stored as set forth therein

Prior to declaring the OPERATOR in default, the CITY shall give thirty (30) days' written notice and opportunity to cure such default if and only if such proposed default:

1. does not pose any significant immediate safety or health hazard,
2. is not the same or similar to any other proposed default committed or allowed by OPERATOR in the preceding 12 months, and
3. provided OPERATOR has not committed or allowed over two other proposed defaults of any kind or character under this AGREEMENT within the preceding 12 months.

If notice of and time to cure a proposed default is not required under the preceding paragraph the CITY may, in its sole and uncontrolled discretion, immediately declare the default, terminate the AGREEMENT, and require OPERATOR to cease all FBO activities at the AIRPORT.

The Obligation to provide further services under this AGREEMENT may be terminated by either party upon ninety days' written notice with or without cause by the other party.

VII. Miscellaneous Provisions

1. The AIRPORT is under the authority of the Airport Manager or others as directed by the City Manager.
2. The Airport Manager maintains the right as granted by City Ordinance to grant temporary FBO permits and operate out of the AIRPORT Ramp or other areas as needed. FBO will be granted non-exclusive use of the AIRPORT Ramp area as needed for FBO operations.
3. It is clearly understood by the OPERATOR that no right or privilege has been granted to OPERATOR which would prevent any person, firm, or corporation operating aircraft on the AIRPORT, from performing any service on its own aircraft with its own regular employee

which is qualified by federal, state and or local regulations including aircraft maintenance and repair that it may choose to perform.

4. OPERATOR shall have the right to assign this AGREEMENT to another company for the remaining term of the AGREEMENT provided that **DrewsAero LLC** is seeking to terminate services at the A.L. Mangham Jr. Regional Airport. This assignment would be subject to the approval of the City Manager in his/her sole discretion.

5. Under severe weather conditions the FBO may temporarily suspend operations with the approval of the Airport Manager or person as directed by the City Manager.

6. If the OPERATOR suffers financial hardship by airport closures, in part or in whole and which is caused by CITY actions, OPERATOR understands and agrees that the CITY is not liable to OPERATOR for any damages or losses resulting from closure. OPERATOR has the right to request a reduction in FBO fee's during the time affected. However, OPERATOR understands and agrees that the CITY has no obligation to grant the request for reduction.

7. The CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the AIRPORT against obstruction, together with the right to prevent the OPERATOR from erecting, or permitting to be erected any building or other structure on or adjacent to the AIRPORT which would limit the usefulness of the AIRPORT or constitute a hazard to aircraft.

8. It is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of 49 USC § 40103.

9. This AGREEMENT shall be subordinate to and subject to the provisions of present and future agreements between the CITY and the United States, the Federal Aviation Administration or other state or federal agencies. This AGREEMENT shall further be subordinate to and subject to any present or future Federal, State or local law, rule, regulation, ordinance or order. OPERATOR agrees to assist the CITY in compliance with all such matters and to do nothing to jeopardize the CITY or place the CITY in default or breach of such matters.

10. Notwithstanding any provision of this AGREEMENT, CITY expressly reserves its governmental and proprietary rights, whatever they may be, to impose reasonable regulations, which might have the effect of limiting OPERATOR'S operations during the term of this AGREEMENT, provided such regulations are imposed for the purpose of promoting the safety and welfare of the citizens of the City of Nacogdoches and the flying community. OPERATOR understands and agrees that the CITY is not liable to OPERATOR for any damages or losses resulting from the imposition of such regulations.

11. In case any one or more of the provisions contained in this AGREEMENT shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the AGREEMENT, and this AGREEMENT shall be construed as if the invalid, illegal or unenforceable provision had never been included in the AGREEMENT.

12. This AGREEMENT shall be construed and governed according to the laws of the State of Texas, without giving effect to its conflict of laws provisions. Nacogdoches County, Texas shall be the sole and exclusive venue for any litigation or other proceeding between the parties that may be brought in connection with or that arises out of this AGREEMENT.

13. Waiver by either party of a breach, default, or violation of any provision of this AGREEMENT shall not operate as, or be construed to be, a waiver of any prior, concurrent, or subsequent breach or default. None of the provisions of this AGREEMENT shall be considered waived by either party except when such waiver is given in writing.

14. This AGREEMENT constitutes the entire FBO agreement between the parties. No agreements, representations or warranties related to FBO privileges exist other than those specifically set forth in this AGREEMENT shall be binding on any of the parties unless set forth in writing and signed by both parties.

**DrewsAero LLC
1407 Virginia Ave
Nacogdoches, TX 75964**

**CITY OF NACOGDOCHES, TX
PO Box 635030
Nacogdoches, TX 75963**

By: _____
Drew Surette - Member

By: _____
Richard B. Beverlin, III - City Manager

Date: _____

Date: _____

APPROVED AS TO CONTENT:

Colin Smith - Airport Manager



PRESENTER: Colin Smith, Airport Manager, Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT:

Advise on a proposed Fixed Base Operator Agreement for flight instruction with HCH Aviation LLC.

SUMMARY/BACKGROUND: HCH Aviation LLC is proposing to continue offering flight instruction at our airport. This flight instruction involves multiple instructors and aircraft for rent, operates seven days a week, and is based in multiple hangars on the airport. By City ordinance, this commercial activity requires a Fixed Base Operator Agreement between the operator and the City. The proposed agreement would replace an existing FBO agreement for the same services, as well as an existing Temporary Allowance letter, due to the request of HCH Aviation to provide their own fuel rather than purchase the fuel that the airport currently sells as stipulated in the original/current agreement.

The City is seeking Board input and recommendations on the proposed agreement, and the Board will be informed of items still being discussed between the City and HCH at the time of the meeting.

FINANCIAL:

CITY CONTACT: Mike Neu

- ATTACHMENTS:**
1. Proposed FBO Agreement - HCH
 2. Temporary Allowance - HCH
 3. Original FBO Agreement - HCH

**FIXED BASE OPERATOR AGREEMENT
A.L. MANGHAM, JR. REGIONAL AIRPORT
NACOGDOCHES, TEXAS**

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF NACOGDOCHES

This Airport Fixed Base Operator Agreement (AGREEMENT) is reached on this 1st day of _____, 2026, by and between the CITY OF NACOGDOCHES, a municipal corporation, hereinafter referred to as CITY, and HCH AVIATION LLC, a limited liability company duly formed under the laws of the State of Texas, hereinafter referred to as OPERATOR.

For and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I. Recitals

It is the desire of the CITY, the OPERATOR, the Stephen F. Austin State University (the UNIVERSITY) and KP Pruitt Investments, LLC (PRUITT) to establish and operate a state-of-the-art flight school program (PROGRAM) with facilities to support the PROGRAM at the UNIVERSITY and the A. L. Mangham Jr. Regional Airport (AIRPORT).

The OPERATOR and the UNIVERSITY have entered into a separate agreement to provide professional pilot flight school instruction called the Aviation Program Services Agreement (the UNIVERSITY AGREEMENT).

The CITY has entered into a separate agreement with PRUITT to provide for construction, maintenance and operation of a hangar (HANGAR A-100) with classroom and other ancillary space to support the PROGRAM.

It is the desire of OPERATOR to act as a Fixed Base Operator (FBO) at A.L. Mangham, Jr. Regional Airport (AIRPORT) and to perform all necessary functions and services as such in conformity to the Rules and Regulations and Minimum Standards for Fixed Base Operators (the Minimum Standards) as amended and as may be amended from time to time in Chapter 10, Sections 10-2 and 10-3, of the Code of Ordinances, as adopted by the CITY. It is the desire of the CITY for OPERATOR to act as a Fixed Base Operator (FBO) at the AIRPORT under the Rules and Regulations, Minimum Standards, and the terms of this AGREEMENT.

OPERATOR will conduct business under the following fixed-base operator categories:

Category A – flight instruction.

II. Term

1. The respective duties and obligations of the parties hereto shall be for a period of five (5) years commencing on the date of this AGREEMENT and terminating at the end of five years from such date unless sooner terminated.

2. In addition, at the discretion of the CITY, the fees chargeable for the privilege of operating as a FBO may be changed periodically by the City Council of the City of Nacogdoches.

III. Appointment as Fixed Base Operator

The CITY hereby designates and appoints HCH AVIATION LLC as an FBO at the AIRPORT and grants OPERATOR the authority to operate under **Category A** in conformity with the CITY'S Aviation Ordinance, including the Rules and Regulations and the Minimum Standards, as adopted by the CITY as amended and as may be amended from time to time, which are hereby incorporated in its entirety and made a part of this AGREEMENT, as if printed in full.

IV. Duties and responsibilities of CITY

CITY shall regulate and enforce all provisions of this AGREEMENT through the office of the City Manager or his/her designee.

V. Duties and Responsibilities of OPERATOR

The OPERATOR shall be responsible for the performance of the following duties and responsibilities:

1. OPERATOR shall maintain all functions, which fulfill the airport minimum standards under **Category A** for the operation of Flight Instruction. OPERATOR shall receive all the proceeds, rebates and all other compensations paid for such services, and is responsible for the bookkeeping and accounting for such.

2. The OPERATOR shall carry liability insurance: commercial general/ premises liability minimum \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate limit, and an aircraft liability insurance policy including minimum limits of \$1,000,000.00 Combined Single limit per occurrence for property damage, bodily injury, and passenger injury, with each passenger seat limited to \$100,000, to cover damages caused in carrying out any of its acts and duties hereunder. An additional liability rider shall be carried specifically for fuel storage and handling anytime those activities are in place. The CITY shall be included as an additional insured on the above policies and said policies shall be endorsed to waive subrogation and to be primary and noncontributory. Coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of Nacogdoches, and only insurance carriers licensed and authorized to do business in the State of Texas will be accepted. "Claims made" policies will not be accepted. OPERATOR shall attach its certificates of insurance to this AGREEMENT as **Exhibit C** upon execution.

3. In addition to fuel purchased from the CITY for aviation use, the OPERATOR shall pay the CITY the following fees for operations in the following categories:

Category A (when the CITY is selling unleaded fuel for aviation use):

\$50 per month per active aircraft in the instructional fleet (“flat fee”); OR, in lieu of a flat fee, at least 200 gallons of fuel must be purchased from the CITY per month per active aircraft in the instructional fleet.

Category A (when the CITY is not selling unleaded fuel for aviation use):

A fuel flowage fee of 15 cents (\$0.15) per each gallon of fuel delivered to the OPERATOR’S fuel storage facilities.

OPERATOR shall pay the flat fee monthly no later than the 15th day of the following month, commencing the first month of this AGREEMENT and continuing for the life of this AGREEMENT. Should OPERATOR choose the alternative fuel purchase in lieu of payment of the flat fee, the 200 gallons of fuel per active aircraft must be purchased no later than the last day of the month of each month of the term of the AGREEMENT. An aircraft shall be considered active unless it is out of service for major (taking more than 30 days to complete) repairs or maintenance only, and the OPERATOR shall notify the CITY within 5 business days (before or after) of each instance that an aircraft is to be considered inactive for purposes of fee determination. OPERATOR may pre-pay up to 12 months of FBO fees as long as additional fees are paid as and when aircraft are added to the instructional fleet during any pre-paid period.

4. Only when the CITY is not selling unleaded fuel for aviation use, the OPERATOR is authorized to perform self-fueling and limited fuel storage to support flight instruction only, in accordance to the stipulations herein, stipulations in **Exhibit A**, and in accordance to any separate

documents and directives. OPERATOR shall pay, based on private use and an anticipated volume averaging greater than 1000 gallons per month, the CITY a fuel flowage fee of 15 cents (\$.15) per each gallon of fuel delivered to the OPERATOR'S fuel storage facilities at the airport within 10 days of each fuel delivery received or monthly accompanying the FBO fees payment. OPERATOR shall provide the CITY with a verification of the fuel delivered to OPERATOR along with each payment, with documentation provided by the supplier of the amount of fuel actually delivered to and stored by OPERATOR for self-fueling. The fuel-flowage fee shall be paid one time following delivery of the fuel to OPERATOR, and there will be no additional charge to the OPERATOR for fuel transferred to any aircraft following such delivery. An annual delivery log or list of all fuel deliveries to OPERATOR, showing delivery date and quantity, is due upon any request for such from the CITY. Such log or list shall be furnished directly from the OPERATOR'S fuel suppliers to the CITY.

5. If the CITY provides a fuel type to serve the OPERATOR that *is not* ordinarily offered to any entity or person who is not an FBO on the AIRPORT, the OPERATOR shall purchase all of its fuel exclusively from the CITY for all on-field fueling needs; provided that fuel is readily available. If the CITY provides a fuel type to serve the OPERATOR that *is* ordinarily offered to any entity or person who is not an FBO on the AIRPORT, the OPERATOR shall purchase all of its fuel exclusively from the CITY for all on-field fueling needs; provided that fuel is readily available, and the OPERATOR will be offered the fuel type at a price per gallon that is the same as the current CITY posted fuel prices.

6. OPERATOR agrees and understands that OPERATOR'S status as an FBO is now and will remain non-exclusive.

7. The OPERATOR assures that it will undertake an affirmative action program as required by 14 CFR part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, notional origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The OPERATOR assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this part. The OPERATOR assures that it will require that its covered sub organizations provide assurance to the CITY that it similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

8. Indemnity. The OPERATOR agrees to indemnify, defend, and hold harmless the CITY, its officers, agents, employees, and volunteers (separately and collectively referred to in this paragraph as “Indemnatee”), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements, and for liability of every kind, including all expenses of litigation, court costs, reasonable attorney’s fees, and other reasonable costs for damage to or loss of use of any property, for injuries, to, or sickness or death of any person to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a sub-operator or supplier committed by the OPERATOR or the OPERATOR’s agent, sub-operator under contract, or another entity over which the OPERATOR exercises control.

9. Release. The OPERATOR releases, relinquishes, and discharges the CITY, its officers, agents, employees, and volunteers from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the OPERATOR or its employees and any loss of or damage to any property of

the OPERATOR or its employees that is caused by or alleged to be caused by, arises out of, or is directly related to the OPERATOR's activities. Both the CITY and the OPERATOR expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance, and in the event of injury, sickness, death, loss, or damage suffered by the OPERATOR or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the CITY, any other party released hereunder, the OPERATOR, or any third party.

VI. Termination Provisions

This AGREEMENT shall be terminable by the CITY upon occurrence of any default under its terms. Default shall include:

- A. termination of the UNIVERSITY AGREEMENT;
- B. material breach of any provision of this AGREEMENT, including without limitation the failure to timely pay the fees set forth in this AGREEMENT;
- C. breach of Airport Rules and Regulations of A.L. Mangham, Jr. Regional Airport as amended or as may be amended from time to time that is not remedied by the following sub-paragraphs;
- D. material breach of Federal Aviation Regulations (FARs) (14 CFR Ch 1, et seq) promulgated by the Federal Aviation Administration (FAA) or other governmental agencies, which is not cured within a reasonable time;

- E. breach of laws, regulations, ordinances, directives, orders or the like of the United States, State of Texas, County of Nacogdoches or City of Nacogdoches reasonably related to operations at A.L. Mangham, Jr. Regional Airport or as an FBO;
- F. abandonment of FBO operations by failing to provide such services for a period over one hundred eighty (180) consecutive days;
- G. operating in an FBO category as such presently exists or as may be created, modified or amended in the future by the CITY for which OPERATOR has not entered into an FBO Agreement with the CITY;
- H. insolvency or other financial failure, which prevents OPERATOR from paying its obligations as those come due;
- I. loss, suspension, revocation or absence of any license, permit, certification, registration, or other authorization from, through or under the FAA, its rules, regulations or orders which is reasonably necessary to the operations of OPERATOR in the FBO Category at the AIRPORT;
- J. aiding or abetting persons in the violation of the Minimum Standards or Airport Rules and Regulations or misrepresenting the status of such persons as employees of the OPERATOR or donors of services without compensation.

Prior to declaring the OPERATOR in default, the CITY shall give thirty (30) days' written notice and opportunity to cure such default if and only if such proposed default:

1. does not pose any significant immediate safety or health hazard,
2. is not the same or similar to any other proposed default committed or allowed by OPERATOR in the preceding 12 months, and

3. provided OPERATOR has not committed or allowed over two other proposed defaults of any kind or character under this AGREEMENT within the preceding 12 months.

If notice of and time to cure a proposed default is not required under the preceding paragraph the CITY may, in its sole and uncontrolled discretion, immediately declare the default, terminate the AGREEMENT, and require OPERATOR to cease all FBO activities at the AIRPORT.

The Obligation to provide further services under this AGREEMENT may be terminated by either party upon ninety days' written notice with or without cause by the other party.

VII. Miscellaneous Provisions

1. The AIRPORT is under the authority of the Airport Manager or others as directed by the City Manager.

2. The Airport Manager maintains the right as granted by City Ordinance to grant temporary FBO permits and operate out of the AIRPORT Ramp or other areas as needed. Outside of any areas of the airport under ground lease by the OPERATOR, OPERATOR will be granted non-exclusive use of the AIRPORT Ramp area as needed for FBO operations.

3. It is clearly understood by the OPERATOR that no right or privilege has been granted to OPERATOR which would prevent any person, firm, or corporation operating aircraft on the AIRPORT, from performing any service on its own aircraft with its own regular employee which is qualified by federal, state and or local regulations including aircraft maintenance and repair that it may choose to perform.

4. CITY covenants that it has good, right and lawful authority to execute this Agreement, that CITY has good title to all lands, improvements and related facilities, including all

premises leased or sub-leased hereunder, and that throughout the term hereof, OPERATOR shall have, hold and enjoy peaceful and uninterrupted possession of the premises leased or sub-leased hereunder, subject always to the payment of the lease and other charges and the performance of the covenants, as herein provided to be paid and performed by OPERATOR. Notwithstanding any provision of this Agreement, CITY expressly reserves its governmental and proprietary rights, whatever they may be, to impose reasonable regulations, which might have the effect of limiting OPERATOR's operations during the term of this Agreement, provided such regulations are imposed for the purpose of promoting the safety and welfare of the citizens of the City of Nacogdoches. It is understood that CITY's position is that CITY is not liable to OPERATOR for any damages resulting from compliance with the regulations by OPERATOR. However, it is understood that OPERATOR reserves the right, whatever it may be, to contest any such regulations and protect its interests.

5. OPERATOR shall have the right to assign this AGREEMENT to another company for the remaining term of the AGREEMENT provided that HCH AVIATION LLC is seeking to terminate services at the A.L. Mangham Jr. Regional Airport. This assignment would be subject to the approval of the City Manager in his/her sole discretion.

6. OPERATOR's attached schedule of operation hours, as "Exhibit B", takes into account seasonal changes, daylight hours, etc. to be approved by the Airport Advisory Board. Under severe weather conditions the OPERATOR may temporarily suspend operations with the approval of the Airport Manager or person as directed by the City Manager. If the OPERATOR is caused financial hardship by airport closures, which are caused by CITY actions, the OPERATOR has the right to request, but the CITY is not required to grant, a reduction in FBO fee's during the time affected.

The CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the AIRPORT against obstruction, together with the right to prevent the OPERATOR from erecting, or permitting to be erected any building or other structure on or adjacent to the AIRPORT which would limit the usefulness of the AIRPORT or constitute a hazard to aircraft. The OPERATOR shall not make any alterations or additions to the airport property without written consent from the CITY.

7. It is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of 49 USCS § 40103.

8. This AGREEMENT shall be subordinate to and subject to the provisions of present and future agreements between the CITY and the United States, the Federal Aviation Administration or other state or federal agencies. This AGREEMENT shall further be subordinate to and subject to any present or future Federal, State or local law, rule, regulation, ordinance or order. OPERATOR agrees to assist the CITY in compliance with all such matters and to do nothing to jeopardize the CITY or place the CITY in default or breach of such matters.

9. In case any one or more of the provisions contained in this AGREEMENT shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the AGREEMENT, and this AGREEMENT shall be construed as if the invalid, illegal or unenforceable provision had never been included in the AGREEMENT.

10. OPERATOR shall have the right to obtain designated hanger space, and/or a ground lease to build a hanger or other facilities, if such space is available, upon an expansion of the

current AIRPORT facilities and in conformance with the FAA approved Airport Master Plan and/or Airport Layout Plan.

11. This AGREEMENT constitutes the entire FBO agreement between the parties. No agreements, representations or warranties related to FBO privileges exist other than those specifically set forth in this AGREEMENT shall be binding on any of the parties unless set forth in writing and signed by both parties.

[Signature Page Follows]

HCH AVIATION LLC

City of Nacogdoches, TX

By: _____
Kristen Badders Conklin, Manager

By: _____
Richard B. Beverlin III,
City Manager

Date: _____

Date: _____

APPROVED AS TO CONTENT:

Colin Smith, Airport Manager

Exhibit A

HCH Aviation's (HCH) request and permission to integrate/operate a 2000 gallon UL 2085 rated above ground trailer mounted aircraft fuel tank with dispenser, and a mobile aircraft refueling vehicle (vehicle), on the airport ramp near hangar A-100 is subject to the following stipulations that HCH:

1. Enter a ground lease with the City to include the areas where the fuel tank/trailer will be utilized.
2. Enter a FBO agreement with the City that includes self-fueling permissions, provisions, requirements, and/or fees.
3. Not sell, gift, trade or permit any fuel to be used in any aircraft not owned and operated by HCH.
4. Locate, configure, equip, operate, and maintain fueling facilities, vehicle, and all activities in accordance to all local, state, and federal regulations, ordinances, and directives.
5. Permit the installation, including supporting infrastructure, thru the City's Inspections department. Vehicle configuration must be permitted through the Airport Manager's office, with review by the Fire Marshal or their designee.
6. Register the tank according to, and maintain tank related compliance with, TCEQ regulations
7. Produce, have in place, maintain, and follow an EPA approved Spill Prevention, Control, and Countermeasures Plan (SPCC), and provide a copy of said plan and all revisions to the City. The SPCC shall meet all current requirements and recommendations of Title 40 Chapter 1 Subchapter D Part 112 of the Code of Federal Regulations, including appendices, attachments, and amendments.
8. Submit a FAA 7460 obstruction analysis request to the FAA OE AAA for a permanent location evaluation and determination.
9. Relocate the tank and/or fueling activities, at HCH's expense and per City guidance, as airport development dictates.
10. Perform fueling activities in a safe manner with its own equipment and staff who are provided adequate training and supervision. All staff and affiliates who handle fuel or participate in any fuel related activities beyond simply refueling an aircraft, including their supervisors and the point of contact identified in the SPCC, shall successfully complete a FAA approved fuel safety and related fire safety training program or course as recommended and at the frequency specified in FAA AC 150/5230-4C (as amended or supplemented), and according to the minimum standards established in 14 CFR 139.321. Records of training for all required participants shall be kept on file and current at HCH headquarters and made available to City staff upon request. Records shall demonstrate continuity of training for all staff and affiliates.

11. Maintain a spill cleanup kit sized for the operations and report all spills greater than 25 gallons to the City and according to the SPCC and environmental regulations. Spill kit shall be labeled "Spill Kit" on its exterior in a manner legible from the refueling location
12. Shall be responsible for the full cost of spill cleanup, spill area restoration, contractor and consultant fees, and regulatory fines associated to any spill or discharge from their fuel facilities and refueling vehicles.
13. Make provisions, including signage, acceptable to the City to prevent any aircraft not owned and operated by HCH from utilizing the fuel and fuel facility at any time
14. Coordinate the receipt of all bulk fuel with the airport office and perform receipt in a safe manner that does not obstruct airport operations, including escort of all fuel delivery trucks operating inside the aircraft movement areas of the airport. Bulk fuel delivery trucks operating on airport property and airport roads, and their drivers, must be in full compliance with all local, state, and federal regulations and licensing regarding the safe transport of the fuel product that they are transporting, including hazardous material transport endorsements.
15. Per City ordinance, not store aviation or auto fuels within a hangar (building).
16. Equip, operate, and maintain aircraft refueling vehicles according to the current National Fire Prevention Association (NFPA) guidelines and recommendations for airport fueling vehicles.
17. Only operate the aircraft refueling vehicle on and along the paved surface of the primary HCH flight line as determined and designated by the City. The vehicle shall not traverse or operate on any other part of the airport, including but not limited to the main ramp, taxiways, taxilanes, runway, grassy areas, general hangar areas and pavements, and within 100 feet of any non-HCH owned aircraft. Permission, for each occurrence, must be obtained directly from the Airport Manager to operate the refueling vehicle outside of the designated operation area (for extenuating circumstances only).
18. Only allow HCH staff, with the training as specified in item 10 above and a clear understanding of the NFPA guidelines for airport fuel vehicle configuration, operation and maintenance, to operate the refueling vehicle or perform maintenance, modification, or repair to the refueling vehicle. Maintenance or repair to the refueling vehicle may be performed by a qualified third-party technician who specializes in refueling vehicle maintenance and repair. After initial permitting, all modifications to the fuel farm or fuel vehicle must be permitted through the Airport Manager with review by the Fire Marshal or their designee.
19. Allow the City or their designee, upon City request, to perform same day inspection of all airport fuel infrastructure, facilities, vehicles and procedures upon request.
20. Shall follow and comply to the airport's storm water pollution prevention plan (SWP3) and associated permit, and sign the associated compliance agreement form upon each request.
21. Dispose of all waste or contaminated fuel in a method and location as approved by local, state and federal regulations for such disposal. If the City accepts waste fuel from HCH, a disposal fee at the current rate must be paid to the City. Receipt of waste fuel is not guaranteed, and quantities can be limited. All City receipt of waste fuel must happen during airport office hours and under the supervision of on-duty airport staff.

Exhibit B

Typical Hours of Operation: 6 AM to 12 AM, Monday through Sunday, but OPERATOR may operate outside of these hours if the activities are not prohibited by the FBO Agreement, Airport Rules or Restrictions, or applicable local, state, or federal law.

DRAFT

Exhibit C

DRAFT



HCH Aviation, LLC
556 Terry Crawford Dr, A-100
Nacogdoches, TX 75964

February 20, 2026

RE: FINAL Temporary Self Fueling Allowance and Extension

HCH Aviation,

Due to the reported aircraft fleet engine issues associated with the fuel currently sold at the A.L. Mangham Jr. Regional Airport (the “Airport”), the City of Nacogdoches (the “City”) granted a temporary allowance to HCH Aviation, LLC (“HCH”) on September 29, 2025 to address this purported fueling issue until amendments can be made to the relevant Fixed Based Operator (“FBO”) Agreement and Ground Lease. This document serves as a final temporary allowance agreement and extension.

The City hereby grants permission to HCH to integrate a 2000-gallon UL 2085 rated above-ground trailer mounted aircraft fuel tank with dispenser on the airport ramp near hangar A-100. Additionally, the City permits HCH to operate a City approved mobile fueling vehicle on the flight line adjacent to hangar A-100. The allowance is solely for the purpose of permitting the self-fueling of HCH Aviation operated instructional aircraft on a temporary basis while the City, HCH, and KP Pruitt Investments to allow for an amendment to the current HCH FBO Agreement and the Ground Lease for hangar A-100.

This temporary allowance terminates forty-five (45) days from the date of this letter agreement (April 6, 2026). Furthermore, this is the FINAL temporary allowance that will be extended to HCH concerning the matters stated herein. No additional extensions will be granted by the City. If an agreement on the amended FBO Agreement and Ground Lease cannot be reached on or before the expiration of this temporary allowance, the terms of the current FBO Agreement and current Ground Lease, including the available remedies of the City, shall immediately apply.

HCH and KP Pruitt Investments agree that this temporary allowance is subject to the following stipulations, and that any failure to meet these stipulations may result in the termination of said allowance. HCH Aviation and/or KP Pruitt Investments hereby agree that they will:

1. Execute an amended Ground Lease for hangar A-100 to include the areas where the fuel tank will be utilized and other updates/corrections prior to the expiration of this allowance;
2. Execute an amended FBO Agreement that includes self-fueling permissions, provisions, requirements, and fees and other updates/corrections prior to the expiration of this allowance;
3. Not sell, gift, trade or permit any fuel to be used in any aircraft not owned and operated by HCH;
4. Locate, configure, equip, operate, and maintain fueling facilities, vehicle, and all activities in accordance to all local, state, and federal regulations, ordinances, and directives;
5. Permit the tank installation, including supporting infrastructure, through the City's Inspections department. Vehicle configuration must be permitted through the Airport Manager’s office, with review by the Fire Marshal or their designee;
6. Register the tank according to, and maintain tank related compliance with, TCEQ regulations



7. Produce, have in place, maintain, and follow an EPA approved Spill Prevention, Control, and Countermeasures Plan (SPCC), and provide a copy of said plan and all revisions to the City. The SPCC shall meet all current requirements and recommendations of Title 40 Chapter 1 Subchapter D Part 112 of the Code of Federal Regulations, including appendices, attachments, and amendments;
8. Submit a FAA 7460 obstruction analysis request to the FAA OE AAA for a permanent location evaluation and determination of the tank;
9. Relocate the tank and/or fueling activities, at HCH's expense and per City guidance, as airport development dictates;
10. Perform fueling activities in a safe manner with its own equipment and staff who are provided adequate training and supervision. All staff and affiliates who handle fuel or participate in any fuel related activities beyond simply refueling an aircraft, including their supervisors and the point of contact identified in the SPCC, shall successfully complete a FAA approved fuel safety and related fire safety training program or course as recommended and at the frequency specified in FAA AC 150/5230-4C (as amended or supplemented), and according to the minimum standards established in 14 CFR 139.321. Records of training for all required participants shall be kept on file and current at HCH headquarters and made available to City staff upon request. Records shall demonstrate continuity of training for all staff and affiliates;
- 11. RELEASE, INDEMNIFY and HOLD the City HARMLESS from any and all claims, suits, demands, and causes of action that may be at any time brought or made by any person, corporation, or other entity, including but not limited to employees or agents of HCH Aviation and/or KP Pruitt Investments, arising out of or in any way connected with HCH's fueling activities, operations, and any related equipment or facilities, however asserted;**
12. Maintain a spill cleanup kit sized for the operations and report all spills greater than 25 gallons to the City and according to the SPCC and environmental regulations. Spill kit shall be labeled "Spill Kit" on its exterior in a manner legible from the refueling location (3" tall letters minimum);
13. Shall be responsible for the full cost of spill cleanup, spill area restoration, contractor and consultant fees, and regulatory fines associated to any spill or discharge from their fuel facilities and refueling vehicles;
14. Make provisions, including signage, acceptable to the City to prevent any aircraft not owned and operated by HCH from utilizing the fuel and fuel facility at any time;
15. Coordinate the receipt of all bulk fuel with the airport office and perform receipt in a safe manner that does not obstruct airport operations, including escort of all fuel delivery trucks operating inside the aircraft movement areas of the airport. Bulk fuel delivery trucks operating on airport property and airport roads, and their drivers, must be in full compliance with all local, state, and federal regulations and licensing regarding the safe transport of the fuel product that they are transporting, including hazardous material transport endorsements;
16. Per City ordinance, not store aviation or auto fuels within a hangar (building);
17. Equip, operate, and maintain aircraft refueling vehicles according to the current National Fire Prevention Association (NFPA) guidelines and recommendations for airport fueling vehicles;
18. Only operate the aircraft refueling vehicle on and along the paved surface of the primary HCH flight line as determined and designated by the City. The vehicle shall not traverse or operate on any other part of the airport, including but not limited to the main ramp, taxiways, taxilanes, runway, grassy areas, general hangar areas and pavements, and within 100 feet of any non-HCH owned aircraft. Permission, for each occurrence, must be obtained directly from the Airport Manager to operate the refueling vehicle outside of the designated operation area (for extenuating circumstances only);



19. Only allow HCH staff, with the training as specified in item 10 above and a clear understanding of the NFPA guidelines for airport fuel vehicle configuration, operation and maintenance, to operate the refueling vehicle or perform maintenance, modification, or repair to the refueling vehicle. Maintenance or repair to the refueling vehicle may be performed by a qualified third-party technician who specializes in refueling vehicle maintenance and repair. After initial permitting, all modifications to the fuel farm or fuel vehicle must be permitted through the Airport Manager with review by the Fire Marshal or their designee;
20. Allow the City or their designee, upon City request, to perform same day inspection of all airport fuel infrastructure, facilities, vehicles and procedures upon request;
21. Shall follow and comply to the airport's storm water pollution prevention plan (SWP3) and associated permit, and sign the associated compliance agreement form upon each request;
22. Dispose of all waste or contaminated fuel in a method and location as approved by local, state and federal regulations for such disposal. If the City accepts waste fuel from HCH, a disposal fee at the current rate must be paid to the City. Receipt of waste fuel is not guaranteed, and quantities can be limited. All City receipt of waste fuel must happen during airport office hours and under the supervision of on-duty airport staff;
23. Provide City proof of liability insurance coverage that includes all fuel storage and handling activities
24. Within 10 days after the expiration of the temporary allowance and all extension thereto, remit flowage fee payment to the City as specified in the amended FBO Agreement for all wholesale/bulk fuel received by HCH during the entire temporary allowance and extensions thereto;
25. Provide, along with the acknowledgement and prior to commencement of activities permitted in this temporary allowance, an itemized bulk fuel delivery log showing receipt date and total gallons received for all bulk fuel deliveries to HCH prior to the execution of this temporary allowance. Also, provide a log for all such fuel deliveries throughout the duration of this temporary allowance no later than 3 days of receipt of the bulk delivery. The logs shall be sent to the Airport Manager's email address; and
26. Provide, prior to commencement of activities permitted in this temporary allowance amendment and final extension, payment for all monthly fees for Category A and Category B under the current FBO agreement between HCH and the City for each calendar month this final extension is active, beginning with February, with no prorations applied.

Sincerely,

Colin Smith,
Airport Manger

**FIXED BASE OPERATOR AGREEMENT
A.L. MANGHAM, JR. REGIONAL AIRPORT
NACOGDOCHES, TEXAS**

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF NACOGDOCHES

This Airport Fixed Base Operator Agreement (AGREEMENT) is reached on this 1st day of October, ~~2020~~²⁰²¹, by and between the CITY OF NACOGDOCHES, a municipal corporation, hereinafter referred to as CITY, and HCH AVIATION LLC, a limited liability company duly formed under the laws of the State of Texas, Hereinafter referred to as OPERATOR.

For and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I. Recitals

It is the desire of the CITY, the OPERATOR, the Stephen F. Austin State University (the UNIVERSITY) and KP Pruitt Investments, LLC (PRUITT) to establish and operate a state of the art flight school and avionics program (PROGRAM) with facilities to support the PROGRAM at the UNIVERSITY and the A. L. Mangham Jr. Regional Airport (AIRPORT).

The OPERATOR and the UNIVERSITY have entered into a separate agreement to provide professional pilot flight school instruction called the Aviation Program Services Agreement (the UNIVERSITY AGREEMENT).

The CITY will enter into a separate agreement to provide for construction, maintenance and operation of a hangar (the NEW HANGAR) with classroom and other ancillary space to support the PROGRAM.

It is the desire of OPERATOR to act as a Fixed Base Operator (FBO) at A.L. Mangham, Jr. Regional Airport (AIRPORT) and to perform all necessary functions and services as such in conformity to Minimum Standards for Fixed Base Operators as amended and as may be amended from time to time (the Minimum Standards) in Chapter 10, Section 10-3, of the Code of Ordinances, as adopted by the CITY. It is the desire of the CITY for OPERATOR to act as a Fixed Base Operator (FBO) at the AIRPORT under the Minimum Standards and the terms of this AGREEMENT.

OPERATOR will conduct business under the following fixed-base operator categories: Category A – flight instruction; Category B – aircraft rental; Category C – air transportation; Category F – aircraft, engine, propeller, and accessory maintenance; and Category G -- Category G – radio and instrument maintenance.

II. Term

1. The respective duties and obligations of the parties hereto shall be for a period of five (5) years commencing on the date of this AGREEMENT and terminating at the end of five years from such date unless sooner terminated.

2 In addition, at the discretion of the CITY, the fees chargeable for the privilege of operating as a FBO may be changed periodically by the City Council of the City of Nacogdoches.

III. Appointment as Fixed Base Operator

The CITY hereby designates and appoints HCH AVIATION LLC as an FBO at the AIRPORT and grants OPERATOR the authority to operate under Category A, B, C, F, and G in conformity with the Minimum Standards as adopted by the CITY as amended and as may be amended from time to time, which are hereby incorporated in its entirety and made a part of this AGREEMENT, as if printed in full.

IV. Duties and responsibilities of CITY

CITY shall regulate and enforce all provisions of this AGREEMENT through the office of the City Manager or his/her designee.

V. Duties and Responsibilities of OPERATOR

The OPERATOR shall be responsible for the performance of the following duties and responsibilities:

1. OPERATOR shall maintain all functions, which fulfill the airport minimum standards under Category A for the operation of Flight Instruction, Category B for the operation of Aircraft Rental Services, Category C for the operation of Air Transportation services, Category F for the operation of aircraft, engine, propeller, and accessory maintenance, and Category G for the operation of radio and instrument maintenance. OPERATOR shall receive all the proceeds, rebates and all other compensations paid for such services, and is responsible for the bookkeeping and accounting for such.

2. The OPERATOR shall carry liability insurance: commercial general/ premises liability minimum \$1,000,000.00 per occurrence, \$2,000,000.00 aggregate limit, and an aircraft liability insurance policy including minimum limits of \$1,000,000.00 Combined Single limit per occurrence for property damage, bodily injury, and passenger injury, with each passenger seat limited to \$100,000, to cover damages caused in carrying out any of its acts and duties

hereunder. The CITY shall be included as an additional insured on the above policies and said policies shall be endorsed to waive subrogation and to be primary and noncontributory. Coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice has been given to the City of Nacogdoches, and only insurance carriers licensed and authorized to do business in the State of Texas will be accepted. "Claims made" policies will not be accepted.

3. The OPERATOR shall pay the CITY in advance the following fees for operations in the following categories:

Category A - \$100 per month.

Category B - \$ 50 per aircraft per month.

Category C - In consideration for the right to provide these services at the airport, OPERATOR shall purchase all of its AVGAS (FUEL) exclusively from the CITY for all on-field fueling needs for this service; provided that FUEL is readily available and the HCH is offered FUEL at a price per gallon that is the same as any entity or person who is not an FBO on the AIRPORT.

Category F, G – In consideration for the right to provide these services at the airport, OPERATOR shall purchase all of its AVGAS (FUEL) exclusively from the CITY for all on-field fueling needs; provided that FUEL is readily available and that HCH is offered FUEL at a price per gallon which is the lowest price being offered to any other FBO, entity, or person purchasing FUEL on the AIRPORT.

4. TEMPORARY SPACE LEASE. Further, in consideration of all the services OPERATOR will provide at the airport, the OPERATOR shall have use of the building

described in Exhibit A as follows until a new hangar and classroom building is constructed by PRUITT and approved for occupancy by the CITY. All utilities are the responsibility of OPERATOR. The building is leased by OPERATOR in "as is" condition. All improvements and/or maintenance are the responsibility of OPERATOR and may be made with permission from CITY and in accordance with all applicable building codes. Any improvements made cannot be removed or altered upon Operator's vacating the premises. Note: Certain minimum facilities are required for various FBO Categories unless Airport Board of Adjustment grants a variance. A variance to allow the building space in Exhibit A to suffice as FBO office space was granted May 6, 2008 by the Airport Board of Adjustment. Once the NEW HANGAR is approved for occupancy, OPERATOR will vacate this space and move into the NEW HANGAR.

5. OPERATOR agrees and understands that OPERATOR'S status as an FBO is now and will remain non-exclusive.

8. The OPERATOR assures that it will undertake an affirmative action program as required by 14 CFR part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, notional origin or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The OPERATOR assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this part. The OPERATOR assures that it will require that its covered sub organizations provide assurance to the CITY that it similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

6. **Indemnity. The OPERATOR agrees to indemnify, defend, and hold harmless the CITY, its officers, agents, employees, and volunteers (separately and**

collectively referred to in this paragraph as “Indemnitee”), from and against any and all claims, losses, damages, causes of action, suits, judgments, settlements, and for liability of every kind, including all expenses of litigation, court costs, reasonable attorney’s fees, and other reasonable costs for damage to or loss of use of any property, for injuries, to, or sickness or death of any person to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a sub-operator or supplier committed by the OPERATOR or the OPERATOR’s agent, sub-operator under contract, or another entity over which the OPERATOR exercises control.

7. **Release.** The OPERATOR releases, relinquishes, and discharges the CITY, its officers, agents, employees, and volunteers from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to, sickness or death of the OPERATOR or its employees and any loss of or damage to any property of the OPERATOR or its employees that is caused by or alleged to be caused by, arises out of, or is directly related to the OPERATOR’s activities. Both the CITY and the OPERATOR expressly intend that this release shall apply regardless of whether said claims, demands, and causes of action are covered, in whole or in part, by insurance, and in the event of injury, sickness, death, loss, or damage suffered by the OPERATOR or its employees, but not otherwise, this release shall apply regardless of whether such loss, damage, injury, or death was caused in whole or in part by the CITY, any other party released hereunder, the OPERATOR, or any third party.

VI. Termination Provisions

This AGREEMENT shall be terminable by the CITY upon occurrence of any default under its terms. Default shall include:

- A. termination of the UNIVERSITY AGREEMENT;
- B. material breach of any provision of this AGREEMENT, including without limitation the failure to timely pay the fees set forth in this AGREEMENT;
- C. breach of Airport Rules and Regulations of A.L. Mangham, Jr. Regional Airport as amended or as may be amended from time to time that is not remedied by the following sub-paragraphs;
- D. material breach of Federal Aviation Regulations (FARs) (14 CFR Ch 1, et seq) promulgated by the Federal Aviation Administration (FAA) or other governmental agencies, which is not cured within a reasonable time;
- E. breach of laws, regulations, ordinances, directives, orders or the like of the United States, State of Texas, County of Nacogdoches or City of Nacogdoches reasonably related to operations at A.L. Mangham, Jr. Regional Airport or as an FBO;
- F. abandonment of FBO operations by failing to provide such services for a period over one hundred eighty (180) consecutive days;
- G. operating in an FBO category as such presently exists or as may be created, modified or amended in the future by the CITY for which OPERATOR has not entered into an FBO Agreement with the CITY;
- H. insolvency or other financial failure, which prevents OPERATOR from paying its obligations as those come due;
- I. loss, suspension, revocation or absence of any license, permit, certification, registration, or other authorization from, through or under the FAA, its rules,

regulations or orders which is reasonably necessary to the operations of OPERATOR in the FBO Category at the AIRPORT;

- J. aiding or abetting persons in the violation of the Minimum Standards or Airport Rules and Regulations or misrepresenting the status of such persons as employees of the OPERATOR or donors of services without compensation.

Prior to declaring the OPERATOR in default, the CITY shall give thirty (30) days' written notice and opportunity to cure such default if and only if such proposed default:

1. does not pose any significant immediate safety or health hazard,
2. is not the same or similar to any other proposed default committed or allowed by OPERATOR in the preceding 12 months, and
3. provided OPERATOR has not committed or allowed over two other proposed defaults of any kind or character under this AGREEMENT within the preceding 12 months.

If notice of and time to cure a proposed default is not required under the preceding paragraph the CITY may, in its sole and uncontrolled discretion, immediately declare the default, terminate the AGREEMENT, and require OPERATOR to cease all FBO activities at the AIRPORT.

The Obligation to provide further services under this AGREEMENT may be terminated by either party upon ninety days' written notice with or without cause by the other party.

VII. Miscellaneous Provisions

1. The AIRPORT is under the authority of the Airport Manager or others as directed by the City Manager.

2. The Airport Manager maintains the right as granted by City Ordinance to grant temporary FBO permits and operate out of the AIRPORT Ramp or other areas as needed. OPERATOR will be granted non-exclusive use of the AIRPORT Ramp area as needed for FBO operations.

3. It is clearly understood by the OPERATOR that no right or privilege has been granted to OPERATOR which would prevent any person, firm, or corporation operating aircraft on the AIRPORT, from performing any service on its own aircraft with its own regular employee which is qualified by federal, state and or local regulations including aircraft maintenance and repair that it may choose to perform.

4. Lessor covenants that it has good, right and lawful authority to execute this Lease, that Lessor has good title to all lands, improvements and related facilities, including all premises leased hereunder, and that throughout the term hereof, Lessee shall have, hold and enjoy peaceful and uninterrupted possession of the premises Leased hereunder, subject always to the payment of the lease and other charges and the performance of the covenants, as herein provided to be paid and performed by Lessee. Notwithstanding any provision of this Lease, Lessor expressly reserves its governmental and proprietary rights, whatever they may be, to impose reasonable regulations, which might have the effect of limiting Lessee's Operations during the term of this Lease, provided such regulations are imposed for the purpose of promoting the safety and welfare of the citizens of the City of Nacogdoches. It is understood that Lessor's position is that Lessor is not liable to Lessee for any damages resulting from compliance with the regulations by Lessee. However, it is understood that Lessee reserves the right, whatever it may be, to contest any such regulations and protect its interests.

5. OPERATOR shall have the right to assign this AGREEMENT to another company for the remaining term of the AGREEMENT provided that HCH AVIATION LLC is seeking to terminate services at the A.L. Mangham Jr. Regional Airport. This assignment would be subject to the approval of the City Manager in his/her sole discretion.

6. OPERATOR's attached schedule of operation hours, as "Exhibit B", takes into account seasonal changes, daylight hours, etc. to be approved by the Airport Advisory Board. Under severe weather conditions the FBO may temporarily suspend operations with the approval of the Airport Manager or person as directed by the City Manager. If the FBO is caused financial hardship by airport closures, which are caused by CITY actions, FBO has the right to request, but the CITY is not required to grant, a reduction in FBO fee's during the time affected.

The CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the AIRPORT against obstruction, together with the right to prevent the OPERATOR from erecting, or permitting to be erected any building or other structure on or adjacent to the AIRPORT which would limit the usefulness of the AIRPORT or constitute a hazard to aircraft.

7. It is specifically understood and agreed that nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of 49 USCS § 40103.

8. This AGREEMENT shall be subordinate to and subject to the provisions of present and future agreements between the CITY and the United States, the Federal Aviation Administration or other state or federal agencies. This AGREEMENT shall further be subordinate to and subject to any present or future Federal, State or local law, rule, regulation,

ordinance or order. OPERATOR agrees to assist the CITY in compliance with all such matters and to do nothing to jeopardize the CITY or place the CITY in default or breach of such matters.

9. In case any one or more of the provisions contained in this AGREEMENT shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of the AGREEMENT, and this AGREEMENT shall be construed as if the invalid, illegal or unenforceable provision had never been included in the AGREEMENT.

10. OPERATOR shall have the right to obtain designated hanger space, and/or a ground lease to build a hanger or other facilities, if such space is available, upon an expansion of the current AIRPORT facilities and in conformance with the Airport Master Plan.

11. This AGREEMENT constitutes the entire FBO agreement between the parties. No agreements, representations or warranties related to FBO privileges exist other than those specifically set forth in this AGREEMENT shall be binding on any of the parties unless set forth in writing and signed by both parties.

HCH AVIATION LLC

City of Nacogdoches, TX

By: 
Kristen Badders Conklin, Manager

By: 
Mario Canizares, City Manager

Date: 8/12/21

Date: 8/20/2021

APPROVED AS TO CONTENT:


Airport Manager G. Cefalu

Exhibit A



OLD REPUBLIC INSURANCE COMPANY

CERTIFICATE OF INSURANCE

This is to certify to
(Certificate Holder):

The City of Nacogdoches
P.O. Box 635030
Nacogdoches, TX 75963

The following policy(ies)
Have been issued to:

HCH Aviation LLC and HCH Aviation Holdings LLC
3516 Churchill
Nacogdoches, TX 75965

AIRCRAFT POLICY INFORMATION:

AIRCRAFT POLICY NO: AVC004713 01 POLICY PERIOD: FROM: 8/2/2021 TO: 8/2/2022
THIS COVERAGE IS EFFECTIVE 12:01 A.M.
INSURANCE COMPANY: OLD REPUBLIC INSURANCE COMPANY

LIABILITY COVERAGES:

LIMITS OF LIABILITY

	EACH PERSON	EACH OCCURRENCE
<input type="checkbox"/> Bodily Injury	\$	\$
<input type="checkbox"/> Property Damage	\$	\$
<input type="checkbox"/> Passenger Bodily Injury	\$	\$
<input checked="" type="checkbox"/> Single Limit Including Passengers,	\$ XXXX	\$ 1,000,000
<input checked="" type="checkbox"/> With Passenger Liability Limited to:	\$ 100,000	\$ XXXX

DESCRIPTION OF AIRCRAFT

PHYSICAL DAMAGE COVERAGE:

ALL RISKS GROUND & IN-FLIGHT

F.A.A. NO.	YEAR	MAKE AND MODEL	INSURED		DEDUCTIBLES	
			VALUE	NOT IN MOTION	IN-MOTION	
N621FJ	2021	Piper 100i	\$307,000	\$250	\$1,000	
N721FJ	2021	Piper 100i	\$307,000	\$250	\$1,000	

As respects any Aircraft Owned and Operated by the Named Insured and covered under the above referenced Policy

THIS CERTIFICATE HOLDER IS:

- Included as a Loss Payee for Aircraft Physical Damage Coverage.
- Provided Breach of Warranty Coverage on Aircraft Physical Damage as their interest may appear not to exceed 90% of the Insured Value.
- Included as an Additional Insured on Aircraft Liability Coverage but only with respect to operations of the Named Insured.
- Provided a Waiver of Subrogation on Aircraft Physical Damage Coverage, but only with respect to operations of the Named Insured.

OTHER COVERAGES / CONDITIONS / REMARKS:

Premises Liability Limit: \$1,000,000 per occurrence

Provision has been made to give the Certificate Holder thirty (30) days notice of cancellation - ten (10) days for nonpayment of premium - of any policy above; however, the Company assumes no responsibility for the failure to provide such notice. This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage, terms, exclusions, conditions, or other provisions afforded by the policies referenced herein nor does it constitute a contract between the issuing insurer(s), authorized representative, or producer.

OLD REPUBLIC AEROSPACE, INC. Representative:

Agency Name: Falcon Insurance Agency of Houston
Agency Phone: 281-540-8822

Date: August 5, 2021

1990 VAUGHN ROAD, SUITE 350 KENNESAW, GA 30144 | PH: (770) 590-4950 | FX: (770) 590-0599

Exhibit B

Typical Hours of Operation: 6 AM to 12 AM, Monday through Sunday, but OPERATOR may operate outside of these hours if the activities are not prohibited by the FBO Agreement, Airport Rules or Restrictions, or applicable local, state, or federal law.



PRESENTER: Colin Smith, Airport Manager, Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT:

Advise on an amended ground lease agreement with KP Pruitt Investments LLC for Hangar A-100 and associated areas.

SUMMARY/BACKGROUND: This ground lease for hangar A-100 and associated areas will amend the original ground lease dated August 2021 with KP Pruitt Investments, LLC. The request by the sublessee to self fuel, and the addition of ground to be leased for that activity, is what prompted this amendment. There are other less significant updates to the agreement as well. A draft lease and separate exhibit file are attached.

FINANCIAL:

CITY CONTACT: Mike Neu

- ATTACHMENTS:**
1. A100_Amended Ground Lease_Pruitt_20251121 DRAFT
 2. A100_Exhibits A-C

**A. L. MANGHAM, JR. REGIONAL AIRPORT
AMENDED GROUND LEASE AGREEMENT**

This Amended Ground Lease Agreement (“Amended Lease”) is made and entered into this ___ day of _____ 2026 by and between the City of Nacogdoches, hereinafter referred to as LESSOR and which is the owner of the A. L. Mangham, Jr. Regional Airport, hereinafter referred to as AIRPORT and KP Pruitt Investments, LLC, hereinafter referred to as LESSEE who covenant and agree as follows:

WHEREAS, the parties executed a Ground Lease Agreement (the “Lease”) on or about August 1, 2021, concerning the lease of certain land/hangar/building/office, identified therein as the “Premises”, by the LESSEE and located at the AIRPORT; and

WHEREAS, the parties desire to amend the Lease in to address the proposed addition of other leased area by the LESSEE for fueling and tie down for aircraft;

NOW THEREFORE, in consideration of the terms, considerations, and privileges listed herein, LESSOR and LESSEE covenant and agree as follows:

Section 1. Leased Area

Land — Lessor does hereby lease to Lessee approximately 36,750 sq. ft. of land more particularly described as follows:

- (1) 10,000 sq. ft. of land upon which a hangar and classroom building will be erected (Hangar A-100).
- (2) 6,750 sq. ft. of land, paved, striped and marked for parking adjacent or in close proximity to the building. This land will be located to the north of the building and will primarily be used for the invitees, guests, employees, contractors, and any other party authorized by the Lessee. See **Exhibit A—Parking Area**.
- (3) 14,000 sq. ft. of land, or such amount is sufficient, for operating an on-site sewer septic system for wastewater and as shown on **Exhibit B—Sewer Area**, The associated sewer spray field may be adjusted for location and shape, but not size, as needed and with written consent from the Lessor, or by written demand of the Lessor, to accommodate future airport development in or near the current spray field location.
- (4) 6,000 sq. ft. of land, currently paved with no other improvements, to be used for taxiing, parking, and fueling of flight instruction program aircraft. See **Exhibit C—Ramp Area**. In the event that associated self fueling and fuel storage permissions are revoked or surrendered, or associated customary full load bulk fuel deliveries are inactive for more than 90 days, the leased area described as **Ramp Area** shall be surrendered by Lessee back to Lessor and all fuel related improvements and facilities shall be removed from the area at the Lessee's expense within 30 days.

Section 2. Term

This lease shall be for the term of **120 months**, commencing on the **1st day of August, 2021** and ending on the **31st day of July, 2031**. Thereafter, this lease may be renewed for successive five-year extensions upon giving of written notice by Lessee to Lessor not more than one hundred eighty (180) nor less than sixty (60) days prior to the expiration of the preceding term and upon mutual and written agreement by Lessor.

Section 3. Consideration

- A. In consideration for the lease of the Premises referenced herein, Lessee hereby agrees to pay yearly the sum of **\$0.245 cents per square foot** for a total of **\$9,003.75**. The first month's/year's payment to be made in advance. Thereafter, all future payments shall be made on or before the first working day of the month/year due for the term of this contract plus any extensions thereto.
- B. As part of the consideration for the lease of the Leased Area, Lessee agrees to provide signage notifying other pilots of any access restrictions, maintain the areas in a clean condition to include regular removal of foreign object debris, maintain the pavement as set forth in Section 5, Paragraph F, and monitor all persons on the Leased Area to ensure they are in compliance with airport regulations and the Code of Ordinances of the City of Nacogdoches.
- C. Lessee agrees that the lease payment listed herein shall be subject to review and adjustment by Lessor on October 1 and at every one (1) year intervals throughout the term of the lease and prior to any extensions granted. Any adjustment to the lease payment shall be based on the US Bureau of Labor Statistics Consumer Price Index (CPI) as reported each June prior to the annual October lease fee rate review and adjustment. The adjusted lease fee shall be calculated on October 1, 2021 and recalculated at subsequent one (1) year intervals. Such increase in the lease payment shall begin immediately upon request from Lessor and continue at that rate until the next anniversary. Upon review, if the CPI shall have decreased as compared to the previous review date, the lease fee for the subject Land/Hangar/Building/Office shall not be decreased, but shall remain at the same level as was charged during the preceding period.
- D. Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the leased premises throughout the term of this lease, including any connection fees.
- E. Lessee agrees that he will at all times keep the premises clean and free of trash, litter tall grass, weeds, junked automobiles, and scrap aircraft parts. Lessee shall abide by all applicable rules and recommendations of the Environmental Protection Agency, the Texas Commission on Environmental Quality, the Texas Department of Agriculture, the Texas Department of Transportation, and any other public agency concerning the use, storage, and disposal of hazardous chemicals, fuel, and/or oil. Lessee further agrees to abide by the manufacturer's directions in regards to the use, storage, and disposal of all pesticides,

herbicides, and other chemicals plus their containers used at the airport. Should Lessee fail to keep the leased Land/Hangar/Building/Office clean and free of hazards, Lessor may, after 7 days written notice, arrange for the cleanup of the littered or hazardous area. Such cleanup shall be charged to Lessee and payable on demand. Failure to render proper payment for such cleanup and/or general disregard for the considerations and restrictions listed in this lease agreement are grounds for Lessor to terminate this lease.

- F. All lease fees shall be paid as the same becomes due, without demand, in lawful currency of the United States made payable to the City of Nacogdoches, Texas by mail or delivery.
- G. In the event Lessee fails to remit any payment when the same is due, interest at the rate of 10% per annum shall be charged by Lessor beginning on the tenth (10) day after the date the payment is due and such interest shall continue to accrue against such delinquent payment until the payment plus interest is received by Lessor. In the event Lessee shall become delinquent for more than 30 days, this lease may be terminated by Lessor as further defined in Section 7. — Termination.
- H. Taxes, Fees, Insurance, and Bond —
 - (1) Lessee shall be liable for all taxes and fees owed on or by his personal business or himself. Under no circumstances shall Lessor be liable for or be required to pay any tax or fee owed by Lessee.
 - (2) Lessee shall keep the leased Premises insured with policies of general liability insurance, in an amount of \$100,000.00 for each person injured, up to an aggregated \$300,000.00 for personal injury in any one accident and \$300,000.00 for property damage. The policy shall name the City of Nacogdoches as additional insured and be paid for and kept in force by Lessee throughout the term of this lease. Lessor shall provide insurance for all Lessor owned property located at the Airport under lessor's policy which shall be for the sole benefit and protection of Lessor. Lessee should provide his own insurance coverage for any personal property located in or on the Land/Hangar/Building/Office.
 - (3) Certificates of such required insurance shall be furnished by Lessee to Lessor and certificates presently then in effect shall be on file at all times. Any changes in the insurance policies must have prior written approval of Lessor.

Section 4. Permitted Use

- A. Lessee agrees that the leased Premises may be used for any noncommercial aeronautical activity which must be made known to and agreed upon by Lessor, for those purposes set forth in Section 5 — Restricted Use, and for no other purposes.
- B. Lessee may park his and/or his passenger's privately owned automobile(s) inside the Hangar, but only while on a flight which originated at the Airport.

- C. Lessee may store aviation related products or equipment inside the hangar for use in his aircraft so long, and only so long, as such products or equipment are contained in marked, approved containers, and are stored in accordance with the Hangar Storage Policy at the Airport (1993) as amended and incorporated herein by reference. Such storage shall be at the discretion of and with written approval from the Nacogdoches Fire Marshal certifying such storage is allowed under local fire codes.

Section 5. Restricted Use

- A. Lessee agrees that the usage of the Land/Hangar plus any associated apron shall be limited to the parking/hangaring of his personal/company owned aircraft. No automobile, bus, truck, or other transportation mode may be permanently or habitually parked or stored on/in the Land/Hangar except in approved automobile parking areas and as agreed upon by Lessor.
- B. Lessor hereby consents to the use of the Premises by HCH Aviation LLC to operate a flight school and avionics program pursuant to the FBO agreement between HCH and the City of Nacogdoches, Texas. Lessee agrees that he will not conduct any other commercial activity without the written consent of Lessor. Any such approved commercial operation must be in accordance with a separate contract agreement with Lessor.
- C. Lessee agrees that he will not store or permit the storage of any fuel or hazardous, volatile, and/or dangerous chemicals on/inside the Land/Hangar/Building/Office except as authorized in Section 4.C. without the written consent of Lessor.
- D. Lessee agrees not to fuel or defuel any aircraft parked inside the Hangar.
- E. Lessee agrees to have a sufficient number of fire extinguishers of acceptable size as determined by the local fire marshal inside the Hangar/Building/Office. Such fire extinguisher(s) shall be readily accessible in the event of a fire.
- F. Lessee agrees not to make any additions or modifications to the Land/Hangar/Building/Office unless agreed upon by both parties in writing. In event of such consent, all improvements or modifications shall be made at the expense of Lessee and, at the expiration of this Lease and any extensions to this lease, shall become the property of the Lessor. The Lessee is responsible for all pavement maintenance, repair, and improvements for all Leased Area under this lease. All maintenance, repair, and improvements to any pavement within the Leased Area must be performed and constructed in accordance with all City, State and Federal standards and specifications.
- G. Lessee agrees that he will not operate any nonaviation related business or activity on/in the Land/Hangar/Building/Office without the expressed written consent of Lessor. Any such nonaviation related business or activity must be so established by a separate contract.

Section 6. Sublease, Assignment, or Sale

Lessee agrees not to assign or sublease the leased premises or any improvements placed on leased premises, or allow any other person except Lessor's agents and employees to occupy the premises, without first obtaining Lessor's written consent. This lease is for the purpose of storing only aircraft owned or bona fide leased to Lessee or Sublessee. Upon written consent from Lessor to sublease or assign the leased premises, the proposed Sublessee or assignee shall agree to perform Lessee's duties and responsibilities contained in this Lease Agreement.

Lessor hereby consents to a sublease of the premises to HCH Aviation LLC to operate a flight school and avionics program pursuant to the FBO agreement between HCH and the City of Nacogdoches, Texas dated _____, 2026, and any subsequent amendments or replacements of said FBO agreement.

Section 7. Termination

- A. This contract agreement may be terminated by Lessor or Lessee if either fails to abide by the terms and conditions expressed herein.
- B. Lessor has the right to terminate this contract agreement and retake possession of any Airport property leased to or under the control of Lessee in the event Lessee fails:
 - (1) to make timely payments of rent, taxes or fees;
 - (2) fails to provide proof of required insurance;
 - (3) uses the Airport property or permits the Airport property to be used for any illegal or unauthorized purpose;
 - (4) fails to comply with or violates any provision of Chapter 10 of the Code of Ordinances of the City of Nacogdoches, Texas, including any rules, order or permit issued pursuant to that Chapter;
 - (5) fails to comply with or violates any of the laws, rules, rulings, orders or regulations of the State of Texas, the United States or the Federal Aviation Administration pertaining to the A. L. Mangham, Jr. Regional Airport of tenants or aircraft operators thereon;
 - (6) abandons or leaves the property vacant or unoccupied for 30 consecutive days; or
 - (7) violates any of the terms and conditions of this contract agreement.
- C. Prior to termination under section 7.B.(3) — (7), Lessor shall provide Lessee with written notice of anything deemed to be a violation or cause for lease termination and Lessee shall, except as otherwise set forth herein, have seven (7) days to cease and desist such violation or to remedy such other act or omission. As to any such violation, act or omission deemed

by the Airport Manager or appropriate officers or officials of Lessor to be a source of substantial or imminent danger to the safety of persons or property, including air or ground traffic, Lessee shall, upon written or oral notice from Lessor, immediately and forthwith cease and desist such violation, act or omission or Lessee's leasehold right hereunder shall be subject to immediate oral termination by Lessor. The seven (7) day notice, where applicable, shall further only apply to the first two notifications of violations, acts or omissions by Lessee in any lease term, there being no necessity for such notice before termination thereafter.

- D. Should Lessee be declared bankrupt, incompetent, or become deceased, this contract agreement shall immediately terminate and shall not be considered as part of Lessee's estate and shall not become an asset of any appointed or assigned guardian, trustee, or receiver.
- E. Lessee agrees and understands that Lessor reserves the right to further expand, develop, or improve the airport, including the termination of this lease agreement, in such instance that the continued leasing of the Land/Hangar/Building/Office would have a negative impact on any proposed development or improvements at the Airport. This contract agreement may be terminated regardless of the desires, wishes, or views of Lessee and without interference or hindrance from Lessee, but only so long as such expansion, development, or improvements are shown on a Texas Department of Transportation and/or FAA approved Airport Layout Plan or Master Plan.
- F. This contract may be prematurely terminated by mutual agreement and consent of both parties in writing. Such termination by mutual agreement shall cause both Lessor and Lessee to be free of any and all requirements of this contract, except as contained in paragraph 7.G. hereunder, and neither Lessor nor Lessee shall have any derogatory remarks or entries made upon their resumes or upon any public or private records which would indicate failure to successfully fulfill the conditions of this contract.
- G. At the termination of this contract agreement, either by normal expiration, premature termination, or mutual agreement, Lessee shall peaceably vacate the premises. At Lessor's option, upon termination of this Lease, the improvements and fixtures constructed and installed by Lessee pursuant to this Lease will become the property of the Lessor. Should Lessee be in default of any monies owed to Lessor, Lessor may take possession of any personal property owned by Lessee and located at the Airport and hold until the monetary default is settled. In such case that Lessee cannot or will not settle any claims against him owed to Lessor, Lessor may liquidate any personal property seized, subject to the disposition of a court of competent jurisdiction. Lessee shall be liable for any and all expenses incurred by Lessor in such action.
- H. This Lease may be terminated for convenience by the City upon 90 days written notice. If the lease is terminated under this clause, approved construction costs will be amortized in a straight line manner over the term of the lease. The City will pay lessee an amount determined by the number of months left on the primary lease term multiplied by the totals

Approved Construction Costs divided by 120 (the total number of months in the primary term of the lease).

Section 8. Hold Harmless

LESSEE AGREES TO SAVE AND HOLD HARMLESS LESSOR AND ITS AGENTS, SERVANTS, AND EMPLOYEES OF AND FROM ANY AND ALL LIABILITIES, EXPENSES, CAUSES OF ACTION, DAMAGES, AND/OR ATTORNEY'S FEES RESULTING FROM OR AS A RESULT OF ANY OF LESSEE'S BUSINESSES, OPERATION, OCCUPANCY, OR USE OF THE AIRPORT OR FROM ANY ACT OR OMISSION OF LESSEE'S AGENTS, SERVANTS, OR EMPLOYEES. THIS INDEMNITY AGREEMENT SHALL APPLY AND PROTECT LESSOR AND ITS AGENTS, SERVANTS, AND EMPLOYEES EVEN THOUGH IT BE CONTENDED, OR EVEN ESTABLISHED, THAT SAID LESSOR OR ITS AGENTS, SERVANTS, OR EMPLOYEES WERE NEGLIGENT OR THAT THEIR CONDUCT OR OMISSION IN ANY WAY CAUSED OR CONTRIBUTED TO ANY SUCH LIABILITY, EXPENSE, CAUSE OF ACTION, DAMAGE, AND/OR ATTORNEY'S FEES.

Section 9. Maintenance of Landing Area

- A. Lessee understands and agrees that Lessor reserves the right, but not the obligation, to maintain the Airport to at least the minimum standards as recommended by the FAA and/or the Texas Department of Transportation. Such right includes the right to maintain and keep in repair all public use areas at the Airport and the right to direct and control all activities as necessary at the Airport. Lessee also understands that Lessor is not obligated by this lease to continue operating the Airport as an airport and may close the Airport at any time and at its own discretion. Such closure shall immediately void this contract and no damages or monies or other compensation will be owed to the Lessee by Lessor.
- B. Lessor has applied for and received or may receive a grant or grants of money from the Federal Aviation Administration pursuant to the Federal Airport Act of 1946, as amended, and/or the Texas Department of Transportation, and the Lessor may in the future apply for and receive other such grants. In connection therewith, Lessor has undertaken and may in the future undertake certain obligations respecting its operation of the airport and activities of its contractors, lessees, and permittees thereon. The performance by Lessee of the covenants, conditions, and obligations contained in this agreement is therefore a special inducement to and consideration for the execution of this lease by Lessor, and Lessee further covenants and agrees that if the Federal Aviation Administration, the Texas Department of Transportation or other governmental body or officer having jurisdiction over the enforcement of the obligations of Lessor in connection with federal or state aid shall make any orders, recommendations, or suggestions respecting the performance by Lessee of its obligations under this agreement, Lessee will promptly comply therewith at the time or when and to the extent that Lessor may direct.

Section 10. Miscellaneous

- A. Lessor reserves the right to enter the leased premises at all reasonable times to inspect for compliance with this lease and the ordinances, regulations, laws, rules and orders of the Lessor, the State of Texas and of the United States.
- B. This Lease Amendment embraces the entire agreement of the parties mentioned herein pertaining to the Land/Hangar/Building/Office and no statement, remark, agreement, or understanding, either oral or written, not contained herein shall be recognized or enforced as it pertains to the lease of the Land/Building/Hangar/Office, except that this contract agreement may be modified by written addendum agreed to and signed by all pertinent parties and attached hereto.
- C. For the purpose of this contract agreement, the singular number shall include the plural and the masculine shall include the feminine and vice versa, whenever the context so admits or requires.
- D. The “Section” captions and headings are inserted solely for the convenience of reference and are not part of nor intended to govern, limit, or aid in the construction of any provision hereof.
- E. The parties to this contract agreement hereby acknowledge and agree that they are the principals to the contract agreement and have the power, right, and authority to enter into this contract agreement and have the power, right, and authority to enter into this contract agreement and are not acting as an agent for the benefit of any third party, except that Lessor is acting on behalf of the City of Nacogdoches, Texas.
- F. This contract agreement shall be governed by the laws of the State of Texas and construed thereunder and venue of any action brought under this contract agreement shall be in Nacogdoches County, Texas.
- G. If any section, paragraph, sentence, or phrase entered in this contract agreement is held to be illegal or unenforceable by a court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this contract agreement and, to this end, the provisions of this contract agreement are declared to be severable.

LESSOR:

City of Nacogdoches

Richard B. Beverlin, III,
City Manager

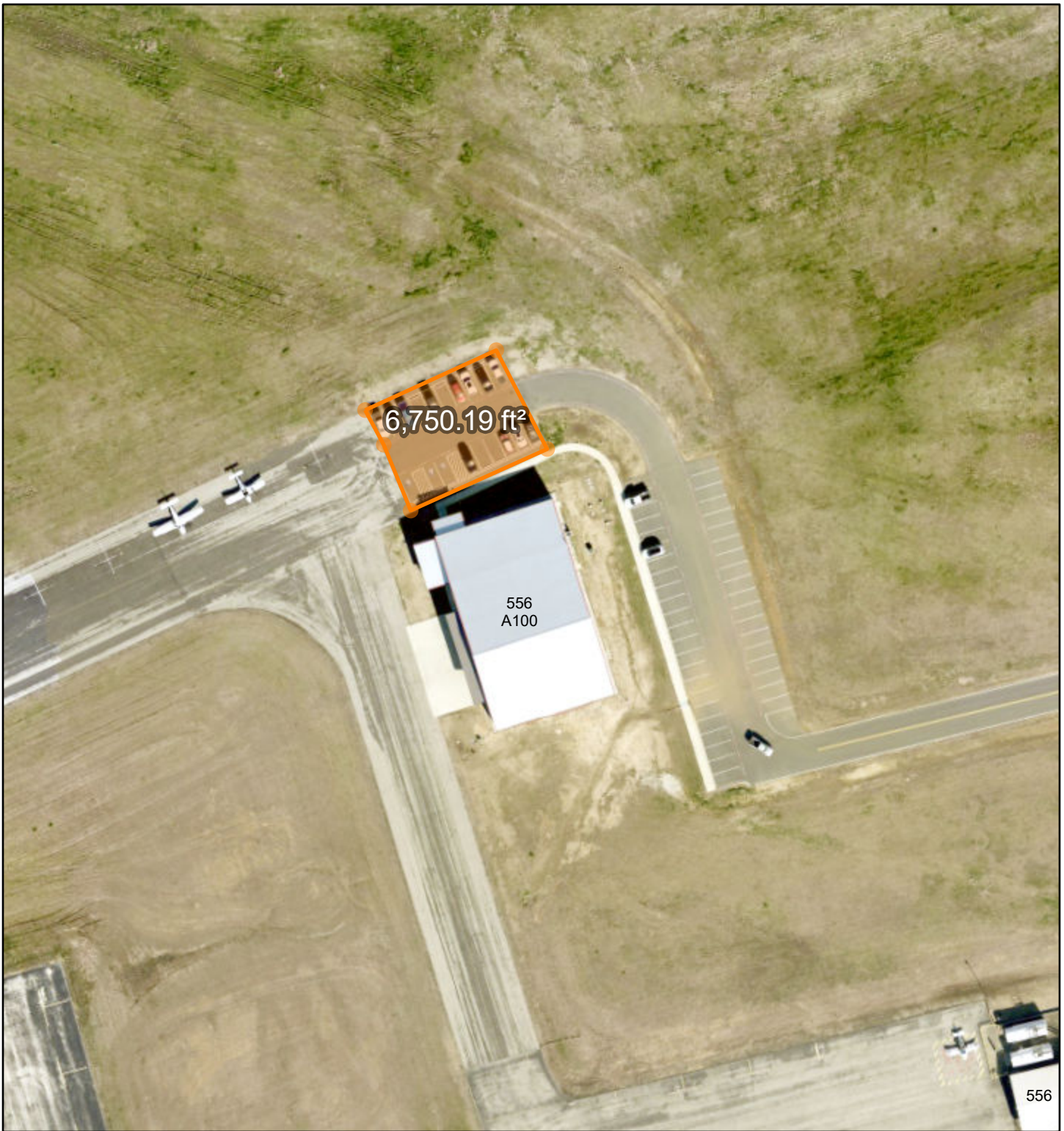
LESSEE:

KP Pruitt Investments, LLC

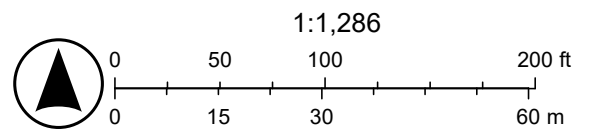
Kerry Pruitt
Manager

Attest: _____
Colin Smith,
Airport Manager

DRAFT

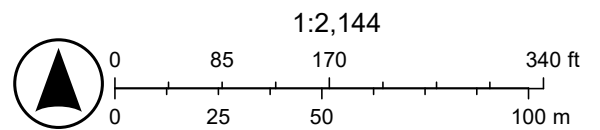


9/9/2025, 5:05:50 PM



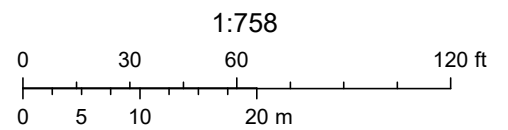


9/9/2025, 4:42:14 PM





11/19/2025, 10:52:31 AM



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

PRESENTER: Colin Smith, Airport Manager, Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT:

Advise on the scoping of an Airport Business Plan.

SUMMARY/BACKGROUND: The City is considering the solicitation of a consultant to produce a comprehensive airport business plan. This plan would:

- update airport governance and administration documents and boards
- offer market analysis and guidance for airport fees and services
- provide recommendations for airport development and infrastructure
- help identify additional revenue sources and business development opportunities
- evaluate fuel sales operations and strategies
- assess airport staffing and operational structure
- provide planning, implementation, and marketing strategies for all recommendations

See the attached draft scoping document for review.

FINANCIAL:

CITY CONTACT: Colin Smith - Airport Manager

ATTACHMENTS: 1. Airport Business Plan DRAFT SCOPE rev 2026-05-06

Scope of Services

Business Plan and Administrative Framework Development

Nacogdoches A.L. Mangham Jr. Regional Airport

The City of Nacogdoches seeks professional consulting services to prepare a comprehensive Business Plan and update the administrative and regulatory framework governing operations at Nacogdoches A.L. Mangham Jr. Regional Airport. The project will evaluate operational efficiency, revenue generation opportunities, airport governance structures, and strategic development options to support the Airport's long-term sustainability and economic growth.

The Airport currently operates a 5,000-foot runway and supports a variety of general aviation activities including hangar leasing, fuel sales, flight training, and precision instrument approach operations. The City seeks to strengthen financial performance, modernize its regulatory framework, and identify strategic opportunities for aviation and aviation-related business development.

This effort will include evaluation of existing airport operations and revenue sources; development of updated administrative and regulatory documents; assessment of airport fees, leases, and fuel operations; and preparation of financial projections and implementation strategies. The study will also evaluate potential aviation-support businesses, landside commercial development opportunities, and infrastructure needs that could enhance the Airport's role as a regional economic asset.

The Consultant shall complete the following tasks.

Task 1 – Project Initiation and Data Collection

The Consultant shall initiate the project through coordination with the City and Airport leadership to confirm project objectives, data needs, and study parameters.

Work under this task shall include:

- Review of existing airport documents including leases, rates and charges, rules and regulations, minimum standards, ALP with narrative package, and relevant City ordinances
- Identification and confirmation of comparable airports for benchmarking analysis
- Collection of operational, financial, and infrastructure data necessary for the study
- Coordination with City staff regarding project schedule, communication procedures, and deliverables

Task 2 – Airport Governance and Administrative Framework

The Consultant shall review and update the Airport’s administrative and regulatory framework to ensure alignment with industry best practices and anticipated operational needs.

This task will include updates to relevant provisions contained in **Chapter 10 (Aviation) of the City of Nacogdoches Code of Ordinances** and development of supporting airport administrative documents.

Subtasks include:

2.1 Minimum Standards

The Consultant shall review existing Minimum Standards and prepare updated standards governing commercial aeronautical service providers operating at the Airport. Updated provisions shall address modern service expectations, operational requirements, and facility standards.

2.2 Airport Rules and Regulations

The Consultant shall review and update the Airport’s Rules and Regulations governing airport use to ensure compliance with current operational practices and applicable laws.

2.3 Lease Policy and Lease Templates

The Consultant shall review existing lease structures and prepare updated policies and template documents, including:

- Updated ground lease template for privately constructed hangars
- Alternative ground lease structure allowing recovery of City infrastructure investment supporting hangar construction
- Hangar lease template for City-owned hangar facilities
- Commercial ground lease template for landside non-aeronautical development

The Consultant shall also evaluate and provide a detailed comparison of reversion versus our current non-reversion lease structure scenarios, including financial considerations, a reversion lease template, and strategies for potential long term gradual phased implementation.

2.4 Airport Governance Provisions

The Consultant shall review and recommend updates to administrative provisions related to:

- Airport administration
 - Airport zoning
 - Airport Advisory Board responsibilities
 - Airport Board of Adjustment provisions
-

Task 3 – Market and Competitive Analysis

The Consultant shall conduct a benchmarking analysis of comparable general aviation airports to evaluate rates, charges, services, and business practices.

The City will approve the final list of approximately **10–12 comparable airports** utilized in the analysis.

The analysis shall include comparison of:

- Hangar lease rates
- Ground lease rates
- Fuel pricing practices
- Airport fee structures, rates and practices
- Services and facilities offered

A summary table of comparable airport data shall be included in the final report.

Task 4 – Fuel Operations and Pricing Strategy

The Consultant shall evaluate the Airport's fuel operations and pricing strategies and provide recommendations to optimize revenue generation.

Analysis shall include:

- Current fuel pricing strategy evaluation
- Comparison of City-operated versus private FBO fuel operations
- Evaluation of proprietary or prepay fuel discount programs
- Contract Aviation Association (CAA) participation evaluation
- Bulk fuel purchasing opportunities
- Fuel branding options
- Evaluation of potential additional fuel product offerings

The Consultant shall also conduct a **flowage fee analysis**, including recommended fee structures for:

- Commercial self-fueling operations
 - Private or corporate self-fueling
 - Private FBO sales to the public
 - Charter or airline operators
-

Task 5 – Hangar Development and Infrastructure Analysis

The Consultant shall evaluate current hangar capacity and forecast future demand.

This task shall include:

- Development of standards and guidelines for hangar construction and development
 - Forecast of hangar demand and recommended development phasing
 - Analysis of public versus private hangar development and ownership models
 - Evaluation of infrastructure requirements supporting hangar and general airport development, including infrastructure shortfalls limiting development and their remedies
 - Financial feasibility and rental rate analysis
-

Task 6 – Airport Fees and Revenue Sources

The Consultant shall review the Airport's current fee structure and provide recommendations to ensure competitiveness and long-term financial sustainability. Recommendations shall focus on revenue diversification and the airport being as self-supporting as possible.

This task shall include evaluation of:

- FBO fees
 - Landing, ramp, and handling fees
 - Ramp service charges
 - Other customary airport fees and revenue sources
-

Task 7 – Aviation Business Development Opportunities

The Consultant shall evaluate opportunities for aviation-related and aviation-support business development at the Airport.

Analysis shall include potential viability and recommended structures for businesses such as:

- Aviation support services located on or adjacent to the airfield
- Aviation-related commercial enterprises on airport property
- Airport business park or landside commercial development
- Restaurant, hotel, rental car, or aviation museum concepts

The Consultant shall also evaluate the operational and financial value of the **existing City production water well located on airport property.**

Task 8 – Airport Staffing and Operational Structure

The Consultant shall evaluate airport staffing needs under current operations and potential growth scenarios.

This task shall include:

- Assessment of current and future operational staffing requirements
 - Evaluation of staffing hours and operational coverage
 - Development of alternative staffing structures and organizational models
 - Preparation of a job description and recommended pay ranges for Airport staff
-

Task 9 – Financial Pro Forma and Capital Planning

The Consultant shall develop a financial planning framework to support long-term airport sustainability.

Work under this task shall include:

- Ten-year operating revenue and expense projections
- Financial modeling for hangar development scenarios
- Evaluation of fuel sales revenue potential
- Ground lease revenue projections
- Staffing and operational cost projections

The Consultant shall also develop a **recommended five-year Capital Improvement Program (CIP)** considering infrastructure needs, operational priorities, and development opportunities.

Task 10 – Implementation Strategy

The Consultant shall develop an implementation plan outlining recommended actions, sequencing, and timelines.

The plan shall address:

- Implementation of updated policies, fees, and regulations
 - Immediate versus phased rollout options
 - Recommended fee collection procedures and administrative processes
 - Staffing and infrastructure needs required to support implementation
-

Task 11 – Marketing and Business Development Strategy

The Consultant shall prepare a targeted airport marketing plan designed to increase airport utilization and business development opportunities.

The plan shall include:

- Strategies to increase airport visibility and activity
 - Targeted incentive programs for attracting aviation businesses
 - Recommendations for updating or redesigning the Airport's website
-

Task 12 – Special Operational Evaluations

The Consultant shall evaluate additional strategic opportunities including:

- Feasibility of attracting scheduled or charter air service
 - Evaluation of contract or remote air traffic control tower options
 - Evaluation of City-owned versus FAA-owned Automated Weather Observing System (AWOS) operations
-

Task 13 – Documentation and Final Deliverables

All regulatory documents, policies, and supporting forms developed under this project shall be provided in formats suitable for public access, administrative use, and long-term implementation.

Deliverables shall include both draft and final versions for City review and comment.

Deliverables

The Consultant shall provide the following deliverables:

1. Updated Minimum Standards document
2. Updated Airport Rules and Regulations
3. Lease Policy and standardized lease templates
4. Market analysis of comparable airport rates and charges
5. Fuel operations and pricing strategy analysis
6. Hangar development and demand analysis
7. Airport fee structure recommendations
8. Aviation business development evaluation
9. Airport staffing analysis and job description
10. Ten-year financial pro forma and five-year CIP recommendations
11. Implementation strategy report
12. Airport marketing and business development plan
13. Evaluation of scheduled service, tower feasibility, and AWOS options
14. Final Technical Report including supporting analyses and appendices
15. Executive Summary and stakeholder presentation materials

Deliverables shall be provided in both **digital and printed formats**.

Sponsor Responsibilities

The City of Nacogdoches will provide available airport documents including leases, rate schedules, rules and regulations, and Minimum Standards, and will review and provide comments on draft deliverables.

DRAFT



PRESENTER: Colin Smith, Airport Manager, Mike Neu, Executive Director of Development and Infrastructure

ITEM/SUBJECT: Advise on possible future agenda items.

SUMMARY/BACKGROUND: Accept future agenda item suggestions in addition to those listed below:

- Airport airspace safety
- Review of the Airport's 5-year capital improvement plan and recommended utilization of Airport bond funds
- Runway 18 Papi lights check or replacement
- Small scale scheduled service to DFW or Houston area airports

FINANCIAL:

COUNCIL PRIORITIES: THIS AGENDA ITEM IS CONSISTENT WITH THE FOLLOWING CITY COUNCIL PRIORITIES

Downtown Entertainment and Destination District
Neighborhood Revitalization and Attainable Housing
Community Engagement/Diverse Environment
Infrastructure
I-69 Development
Economic Development
Value-Driven Education and Job Training

CITY CONTACT: Michael Neu

ATTACHMENTS: